

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6101

BILL NUMBER: SB 120

DATE PREPARED: Oct 19, 2001

BILL AMENDED:

SUBJECT: Class D Infractions.

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that \$5 of each \$25 fine imposed by a city or town court for a Class D infraction (including safety belt violations) is to be retained by the political subdivision served by the court entering the judgment.

Effective Date: July 1, 2002.

Explanation of State Expenditures: A Class D infraction is applied to several violations in the Indiana Code, including failure to provide proper child restraints, failure to use a seatbelt, failure to wear "hunter orange" during hunting season, improperly blocking a stream, and the failure of a hotel or motel to have functional smoke detectors. Under current law, the maximum judgment for a Class D infraction is \$25 which is deposited in the state General Fund.

For FY 2001, state General Fund revenues from all infractions, Class A through Class D, totaled \$13.7 M. Information about the revenues generated by Class D infraction violations alone is not available because the fine revenues are combined when they are deposited into the state General Fund. Data are available, however, to indicate the number of child restraint and seatbelt violations for CY 1998, CY 1999, and CY 2000. Assuming that child restraint and seatbelt violations make up the majority of Class D violation revenues and that all of these infraction violations result in a maximum \$25 penalty, state General Fund revenue for Class D infractions is over \$1.30 M. Assuming also that \$5 of every fine is retained by the political subdivision entering the judgement, under this bill, local units would retain \$256,000, and state General Fund revenue would decrease by a corresponding amount, resulting in a total revenue of approximately \$1.05M.

(Note: Data show a 186% increase in the number of seatbelt violations and 111% in the number of child restraint violations between CY 1999 and CY 2000. There is no indication of why these violations have increased between the two years. If the analysis were based on CY 2000 alone, state General Fund revenues would be estimated at \$2.10 M, a reduction of about \$421,000, and local units would retain \$421,000 under

the bill.)

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Additional revenue to local units will vary depending on the disposition of Class D infraction violations. Based on a three-year average, approximately \$256,000 per year in child restraint violations and seatbelt fines may be deposited statewide to county, city, or town general funds based on judgements of the presiding courts.

State Agencies Affected:

Local Agencies Affected: Counties, cities, towns.

Information Sources: Melanie Schwartz, Deputy Commissioner, Bureau of Motor Vehicles, Auditor's Trial Balance, June 30, 2001.